



# Revenue Summary

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## FY 2015 Johnson County Revenues

### Introduction

The Johnson County Government has developed a diverse base of revenues to fund its unique operational and capital needs. The County has increased efforts to reduce reliance on Ad Valorem Taxes and increase Charges for Services and other revenues. These results have been achieved by reviewing user fees and charges for services on a periodic basis, and implementing several dedicated revenue sources for major infrastructure projects.

The purpose of this section is to describe the major revenue trends and how these affect Johnson County. Special emphasis is placed on the County's thirty-one (31) major revenue sources. This set of revenues is significant in that they collectively represent at least 75% of the County's projected revenues in FY 2015. Each major source of revenue is described on the following pages.

### Revenue Estimating Committee

The Revenue Estimating Committee reviews projections of the County's major revenue sources and provides recommendations on projected revenues to the County Manager. The County Manager considers these recommendations in preparing the proposed annual budget that is submitted to the Board of County Commissioners in June of each year. The County Manager may alter the committee's projected revenues in preparing the proposed budget, and the Board of County Commissioners may alter projected revenues as part of the annual budget process.

The County Manager determines the membership of the Revenue Estimating Committee as part of the County's financial procedures. The current membership of the committee is as follows:

Budget Director	County Manager	County Appraiser	Director of Records and Tax Administration
Assitant Budget Director	County Treasurer	Cash Manager	Revenue Coordinator

For FY 2015, the Revenue Estimating Committee determined a minimum threshold of \$500,000 for a major revenue source. The Committee identified 31 major revenue sources for FY 2015. The following information will show 31 major revenue sources for FY 2014 and FY 2015. In order to avoid budgetary shortfalls during the fiscal year, revenues are estimated using a conservative approach.

### Revenues by Category

The following table provides a breakdown of FY 2015 budgeted revenues (excluding transfers and use of carryover). Taxes account for 46.78% of Johnson County's total revenues. Charges for Service comprise 31.70% of the revenue base. Intergovernmental Revenues, Use of Assets/Miscellaneous, and Licenses & Permits represent 10.97%, 9.93%, and 0.62% of the FY 2015 revenue budget, respectively.

#### FY 2015 Revenue Distribution

Revenue Category	FY 2015 Budget	% of Total
Taxes	279,654,650	46.78%
Charges for Service	189,489,979	31.70%
Use of Assets/Miscellaneous	65,565,321	10.97%
Intergovernmental	59,358,628	9.93%
Licenses & Permits	3,718,575	0.62%
<b>Total</b>	<b>597,787,153</b>	<b>100.00%</b>

Revenues outlined in this section are those funds which the County has budgeted to collect in FY 2015. These revenues exclude transfers and use of carryover. Revenues are categorized into the following groups:

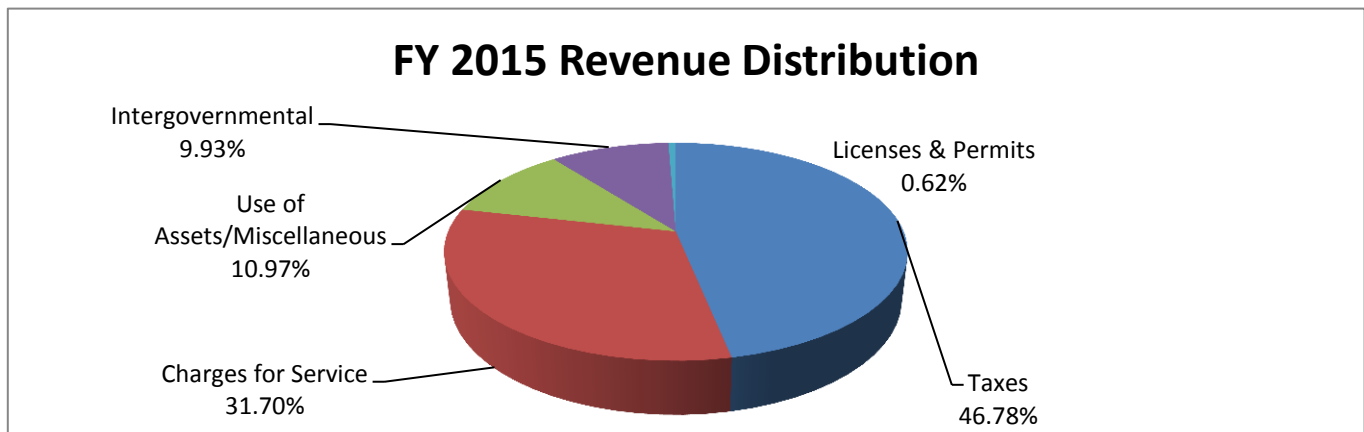
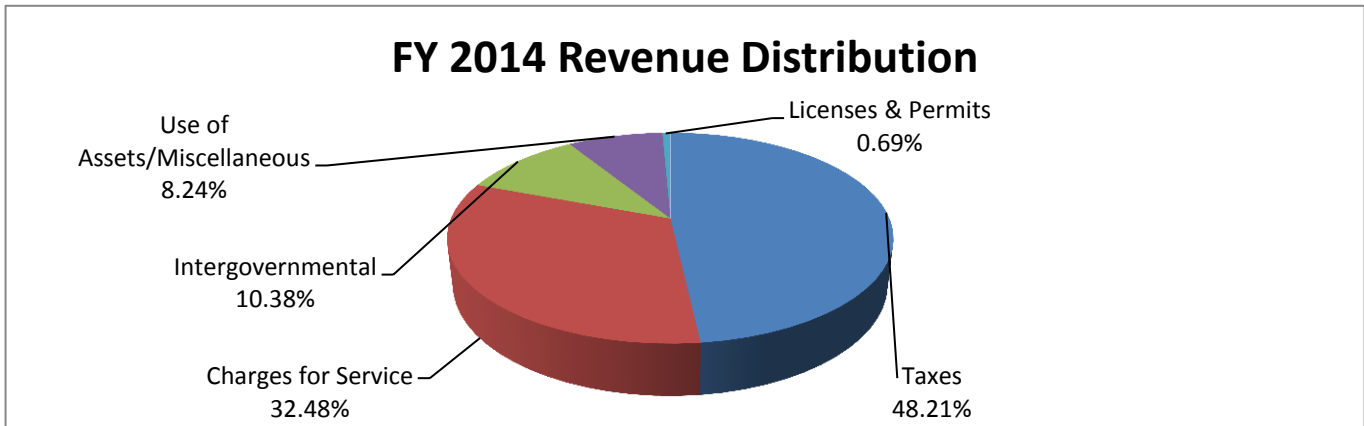
**Taxes** – This group is comprised of Ad Valorem Support (property taxes), Sales, Motor Vehicle, Delinquent, and several other taxes including minerals, liquor, recreational vehicles, car rentals, and compensating use taxes. Taxes represent the largest source of revenue for the County.

**Intergovernmental** – This group includes revenues from federal, state and city grants, as well as Special Highway (Gas Tax) funds which are dedicated for road and bridge maintenance and construction.

**Licenses & Permits** – This group has been an insignificant portion of the revenue picture in the last decade.

**Charges for Service** – This group has grown dramatically since the Wastewater Capital Finance Charges, Connection Fees and System Development Fees were instituted in the early 1990s based on Equivalent Dwelling Unit (EDU). In FY 2003, new user fees for Wastewater operations and maintenance activities were implemented. The new System Availability Charge is included in the FY 2015 budget. The System Development Charge (an EDU-based charge) was eliminated in FY 2014.

**Use of Assets/Miscellaneous** – This group includes Investment Interest, land and building rentals, and sale of County assets.



**2013 Through 2015 Revenue Breakdown**

The table on the following page summarizes Actual 2013, Estimated 2014 and Budget 2015 revenues for Johnson County (excluding transfers and use of carryover).

<b>Revenues by Category</b>	<b>Actual FY 2013</b>	<b>Estimated FY 2014</b>	<b>Budget FY 2015</b>
<b>Taxes</b>			
* Ad Valorem Tax	168,320,608	169,754,568	179,985,152
* Local Sales Tax (County share of 1/2 cent)	13,469,617	13,873,706	14,289,917
* Stormwater Sales Tax (1/10 cent)	10,552,913	10,975,030	11,304,280
* Public Safety Sales Tax (County share of 1/4 cent)	16,558,519	17,220,860	17,737,486
* Public Safety Sales Tax II (County share of 1/4 cent)	16,558,519	17,220,860	17,737,486
* Local Use Tax	2,382,802	2,478,114	2,552,458
* Stormwater Use Tax	1,859,821	1,934,214	1,992,240
* Public Safety Use Tax	2,920,473	3,037,292	3,128,411
* Public Safety Use Tax II	2,920,473	3,037,292	3,128,411
* Motor Vehicle Tax	18,222,081	19,297,842	19,876,775
* Interest on Delinquent Taxes	2,611,385	2,000,000	1,500,000
* Delinquent Real Property Tax	2,482,429	1,704,783	1,704,751
Other Taxes	9,369,368	4,732,658	4,717,283
<b>Subtotal</b>	<b>268,229,008</b>	<b>267,267,219</b>	<b>279,654,650</b>
<b>Intergovernmental</b>			
* Special Highway Fund	10,145,206	10,350,000	10,565,948
* Section 8 Rental Assistance	10,247,998	12,405,000	11,353,000
* Community Development Block Grant	864,347	1,478,948	1,483,363
Federal/State/Local Government Grants	34,261,728	33,871,426	35,956,317
<b>Subtotal</b>	<b>55,519,279</b>	<b>58,105,374</b>	<b>59,358,628</b>
<b>Licenses &amp; Permits</b>			
* Contractor Licensing Fees	900,864	1,064,823	1,084,671
Other Licenses & Permits	2,778,341	2,796,856	2,633,904
<b>Subtotal</b>	<b>3,679,205</b>	<b>3,861,679</b>	<b>3,718,575</b>
<b>Charges for Service</b>			
* Mortgage Registration Fee	16,102,301	17,000,000	13,100,000
* Heritage Trust Fund Fee	544,436	680,000	520,905
* Recording Fees	1,585,552	1,650,000	4,210,000
* Motor Vehicle Registration Fee	3,631,311	3,717,409	3,791,757
* Prisoner Boarding Charges (Sheriff & Corrections)	1,143,448	1,120,000	1,175,000
* Police Protection Charges	819,460	800,000	800,000
* 911 Fee	4,192,050	3,750,000	4,000,000
* Med-Act User Fees	6,954,950	6,924,150	7,190,466
* Wastewater Capital Finance Charges	35,806,143	33,474,500	35,051,700
* Wastewater Connection Fees	6,913,641	5,000,000	5,800,000
* Wastewater System Availability Charges	4,040,973	4,124,200	4,124,200
* Wastewater User Charges	37,881,264	46,699,786	49,801,872
* Parks Enterprise Charges	16,622,428	17,748,316	17,981,677
Other Charges for Service	31,609,237	39,149,656	41,942,402
<b>Subtotal</b>	<b>167,847,194</b>	<b>181,838,017</b>	<b>189,489,979</b>
<b>Use of Assets</b>			
* Investment Interest	1,784,689	1,937,541	4,179,009
Other Use of Assets	3,909,002	4,078,080	4,051,468
<b>Subtotal</b>	<b>5,693,691</b>	<b>6,015,621</b>	<b>8,230,477</b>
<b>Miscellaneous</b>			
	<b>50,115,887</b>	<b>40,251,897</b>	<b>57,334,844</b>
<b>Total Major Revenues (indicated with "**")</b>	<b>\$419,040,701</b>	<b>\$432,459,234</b>	<b>\$451,150,935</b>
<b>Total Revenues (excluding transfers)</b>	<b>\$551,084,264</b>	<b>\$557,339,807</b>	<b>\$597,787,153</b>
<b>Major Revenues as a Percent of Total</b>	<b>76.04%</b>	<b>77.59%</b>	<b>75.47%</b>

## Major Revenue Sources

The following table provides a summary of the Estimated 2014 and Budget 2015 amounts for the major revenue sources. As demonstrated, there are 31 major revenue sources projected to contribute 75% of total revenues in FY 2015. Following the table is a description of each of the 31 revenues.

Revenue Source	FY 2014 Estimated	FY 2015 Budget	% Change
Ad Valorem Tax	169,754,568	179,985,152	6.0%
Local Sales Tax	13,873,706	14,289,917	3.0%
Stormwater Sales Tax	10,975,030	11,304,280	3.0%
Public Safety Sales Tax I	17,220,860	17,737,486	3.0%
Public Safety Sales Tax II	17,220,860	17,737,486	3.0%
Local Use Tax	2,478,114	2,552,458	3.0%
Stormwater Use Tax	1,934,214	1,992,240	3.0%
Public Safety Use Tax	3,037,292	3,128,411	3.0%
Public Safety Use Tax	3,037,292	3,128,411	3.0%
Motor Vehicle Tax	19,297,842	19,876,775	3.0%
Interest On Delinquent Taxes	2,000,000	1,500,000	-25.0%
Delinquent Real Property Tax	1,704,783	1,704,751	0.0%
Special Highway Fund	10,350,000	10,565,948	2.1%
Section 8 Rental Assistance	12,405,000	11,353,000	-8.5%
Community Development Block Grant	1,478,948	1,483,363	0.3%
Contractor Licensing Fee	1,064,823	1,084,671	1.9%
Mortgage Registration Fee	17,000,000	13,100,000	-22.9%
Heritage Trust Fund Fee	680,000	520,905	-23.4%
Recording Fee	1,650,000	4,210,000	155.2%
Motor Vehicle Registration Fee	3,717,409	3,791,757	2.0%
Prisoner Boarding Charge	1,120,000	1,175,000	4.9%
Police Protection Charge	800,000	800,000	0.0%
911 Fee	3,750,000	4,000,000	6.7%
Med-Act User Fee	6,924,150	7,190,466	3.8%
Wastewater Capital Finance Charges	33,474,500	35,051,700	4.7%
Wastewater Connection Fees	5,000,000	5,800,000	16.0%
Wastewater System Availability Charges	4,124,200	4,124,200	0.0%
Wastewater User Charges	46,699,786	49,801,872	6.6%
Parks Enterprise Charges	17,748,316	17,981,677	N/A
Investment Interest	1,937,541	4,179,009	115.7%
<b>Total Revenues</b>	<b>432,459,234</b>	<b>451,150,934</b>	<b>4.3%</b>

**1. Ad Valorem Tax**

The Ad Valorem Tax is the largest single revenue source available to Kansas counties. These revenues are derived from taxes levied on real property, personal property, and state assessed utilities. The Johnson County Appraiser values real and personal properties, while the State of Kansas assigns values to state assessed utilities.

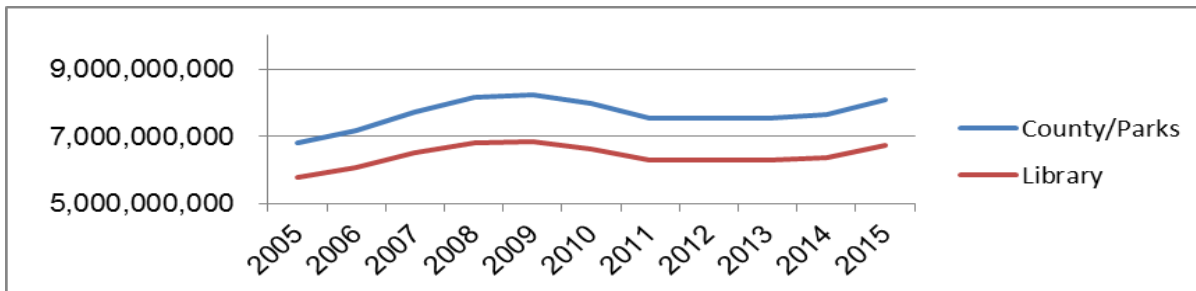
The Ad Valorem Tax generates \$179,985,152 for the FY 2015 Budget. Ad Valorem Taxes are generated from the County’s assessed valuation, which is \$8.09 billion for the FY 2015 Budget. Sales transactions and prices are getting stronger and the revaluation of all real property reflects an increase. Assessed valuation by taxing district is reflected in the following table.

**Comparison of FY 2014 and FY 2015 Assessed Valuation by Taxing District**

Taxing District:	2014 Assessed Valuation	2015 Assessed Valuation*	\$ Increase	% Increase
County	7,630,978,170	8,093,371,876	\$124,733,887	1.66%
Park & Recreation	7,630,978,170	8,093,371,876	\$124,733,887	1.66%
Library	6,348,414,984	6,732,603,890	\$90,866,786	1.45%

\*The assessed valuation for FY 2015 is an estimate. The final assessed valuation for FY 2015 will be published by the County Clerk in mid-December.

**2005 – 2015 Assessed Valuation by Taxing District**



**2. Sales Tax**

The average total sales tax rate in Johnson County for FY 2015 is 8.531%. The State will levy 6.15% while cities levy between 0% - 1.750%, excluding special districts. In FY 2015, Johnson County will levy four Countywide sales taxes totaling 1.10%.

Local	0.50%	<i>Effective October 1, 1975</i>
Stormwater	0.10%	<i>Effective July 1, 1990</i>
Public Safety	0.25%	<i>Effective July 1, 1998</i>
Public Safety II	0.25%	<i>Effective January 1, 2009</i>
<b>Total</b>	<b>1.10%</b>	

The Research Triangle Sales tax of 0.125% (*effective April 1, 2009*) is not included in the total of 1.10% because it is a pass through sales tax with the total being immediately distributed to the Johnson County Education Research Triangle Authority.

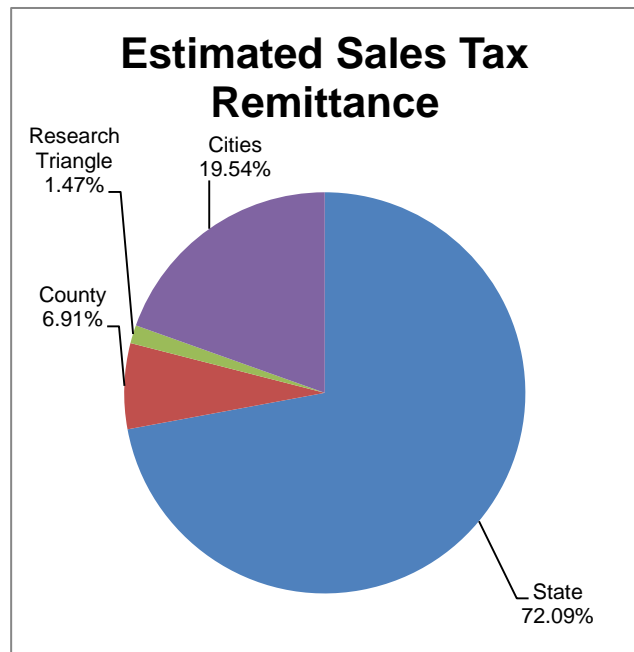
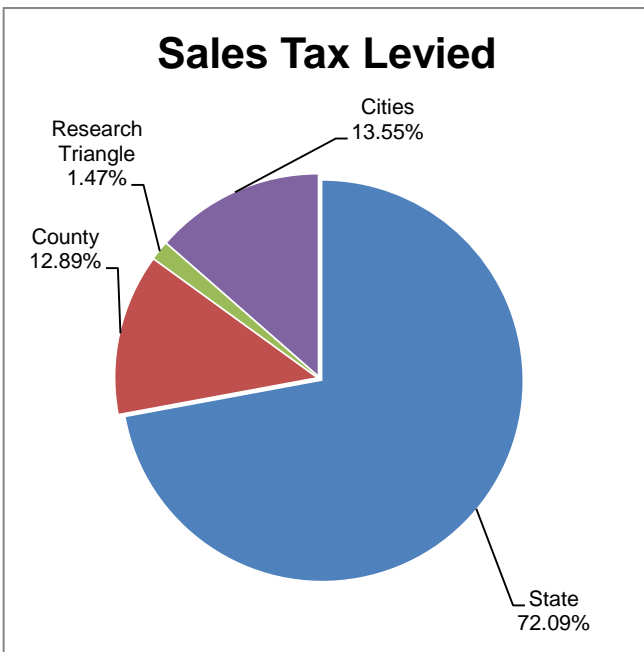
The County levies a rate of 1.10%, excluding the Research Triangle Sales Tax; however, an estimated rate of 53.56% is retained by the County. The variation is due to a population and ad valorem ratio of the Local Sales Tax and the Public Safety Sales Taxes remitted to the cities.

	<b>Rate</b>	<b>Ratio</b>	<b>Retained</b>
Local	0.50%	24.74%	12.37%
Stormwater	0.10%	100.00%	10.00%
Public Safety	0.25%	62.37%	15.59%
Public Safety II	0.25%	62.37%	15.59%
<b>Total</b>	<b>1.10%</b>		<b>53.56%</b>

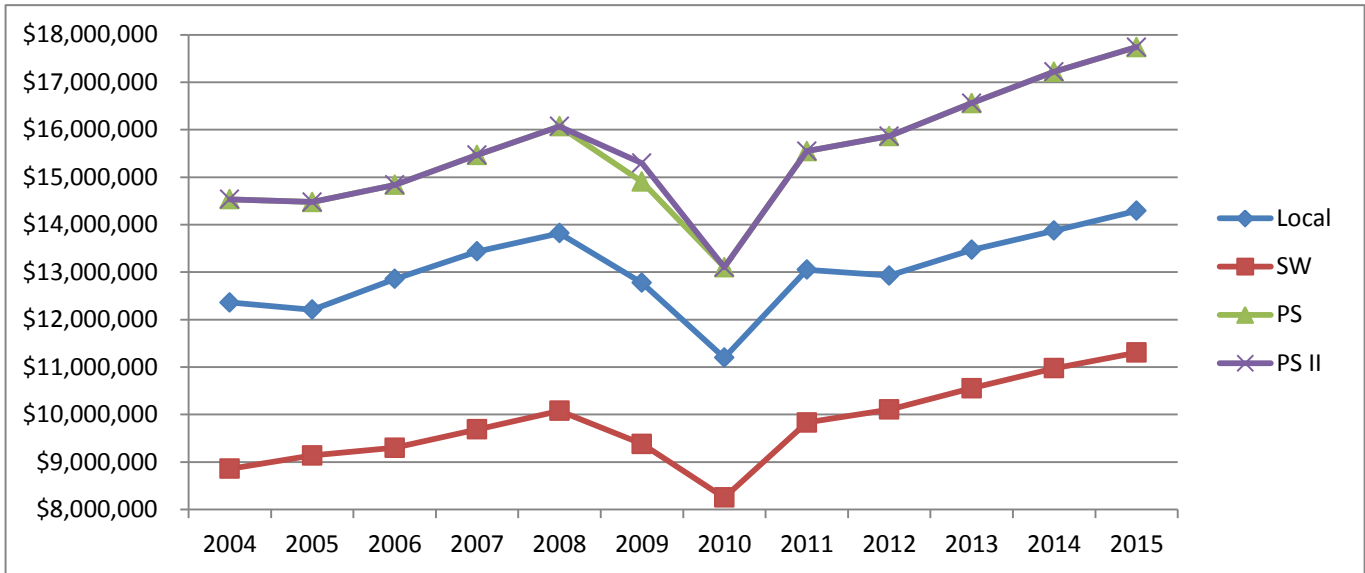
**Comparison of Sales Taxes Levied and Retained**

The "Sales Taxes Levied" pie chart includes the amounts levied by the various jurisdictions. In contrast, the "Estimated Sales Tax Remittance" chart includes the sales taxes that are received by each entity. The "County" share of remittance represents the taxes that fund County programs and services. Fluctuations in annual growth rates for each of the four sales taxes are demonstrated in the table below.

	<b>Rate</b>	<b>Levied</b>	<b>Retained</b>
State	6.15%	72.09%	72.09%
County	1.10%	12.89%	6.91%
Research Triangle	0.125%	1.47%	1.47%
Cities	1.156%	13.55%	19.54%
<b>Total</b>	<b>8.531%</b>	<b>100.00%</b>	<b>100.00%</b>



### Actual/Projected Sales Tax and Growth Rates



**Local Sales Tax** – The first sales tax is referred to as the Local Sales Tax and equals one-half of one cent (0.50%). Local Sales Tax revenues are distributed to the County and each of the cities in the County according to a state-mandated formula based upon population and ad valorem tax. The County receives approximately 24.7% of these revenues, while cities within Johnson County receive approximately 75.3%. The Local Sales Tax is General Fund revenue and can be used to support general government services. The County's share of the FY 2014 Local Sales Tax receipts are projected to increase 3.0% from the FY 2013 Actuals. FY 2015 is budgeted at \$14,289,917 a 3.0% increase over the FY 2014 projected.

**Stormwater Sales Tax (SW)** – The second sales tax is known as the Stormwater Sales Tax and equals one-tenth of one cent (0.10%). All of the funds from this tax are remitted to the County to be used for the construction of stormwater management projects. Because the Stormwater Sales Tax is not formula based, projections are based on expected growth rates in taxable sales. Projections indicate that Stormwater Sales Tax receipts will increase 3% in FY 2015. The County's share of this revenue source is budgeted at \$11,304,280 for FY 2015.

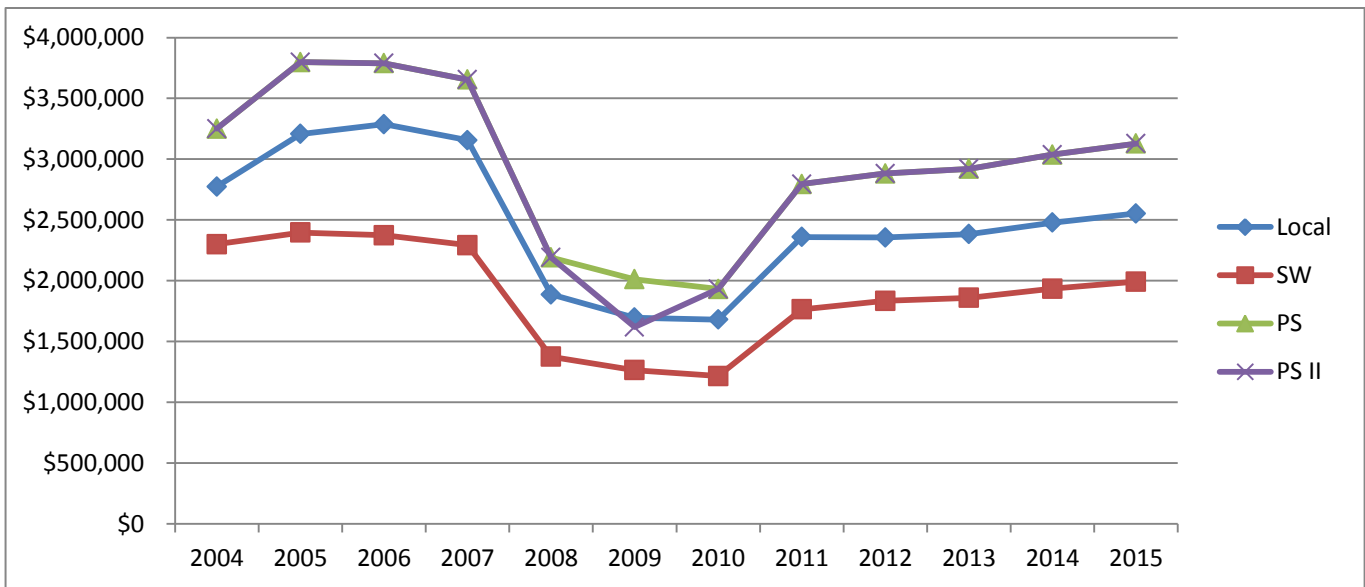
**Public Safety Sales Tax (PS I)** – Equaling one-quarter of one cent (0.25%), the third sales tax is commonly referred to as the Public Safety Sales Tax because the County's share of the revenues has been specifically dedicated for public safety purposes. The Public Safety Sales Tax went into effect on July 1, 1995 and is distributed to the County and cities under a formula which differs from the one applied to the Local Sales Taxes. The first 50% of the proceeds of the one-quarter cent tax go directly to the County with the second 50% of the proceeds distributed with the same methodology as the Local Sales Tax. In general, the County receives approximately 62.37% of these revenues, while cities receive approximately 37.63%. Projections indicate that Public Safety Sales Tax receipts will increase 3.0% in FY 2015. The County's share of this revenue source is budgeted at \$17,737,486 for FY 2015.

**Public Safety Sales Tax II (PS II)** – The fourth sales tax is the Public Safety Sales Tax II approved August 5th, 2008 and effective January 1, 2009, and equals one-quarter of one cent (0.25%). This sales tax is referred to as the Public Safety Sales Tax II because the County's share of the revenues has been specifically dedicated for public safety purposes. The County's share is computed with the same formula as the Public Safety Sales Tax I. In general, the County receives approximately 62.37% of these revenues, while cities receive approximately 37.63%. Projections indicate that Public Safety Sales Tax receipts will increase 3.0% in FY 2015. The County's share of this revenue source is budgeted at \$17,737,486 for FY 2015.



### 3. Use Taxes (Local, Stormwater, and Public Safety Sales Tax I and II).

Actual/Projected Use Tax and Growth Rates



The Use Tax is a tax applied to goods purchased outside of the State. The tax is imposed on the use, storage, or consumption of tangible personal property in the State. The two different kinds of use tax are the retailers' use tax and the consumers' use tax. The out-of-state retailer remits the use tax on behalf of their Kansas customer for the retailers' use tax, while the purchaser remits the use tax on purchases originating out-of-state for the consumers' use tax.

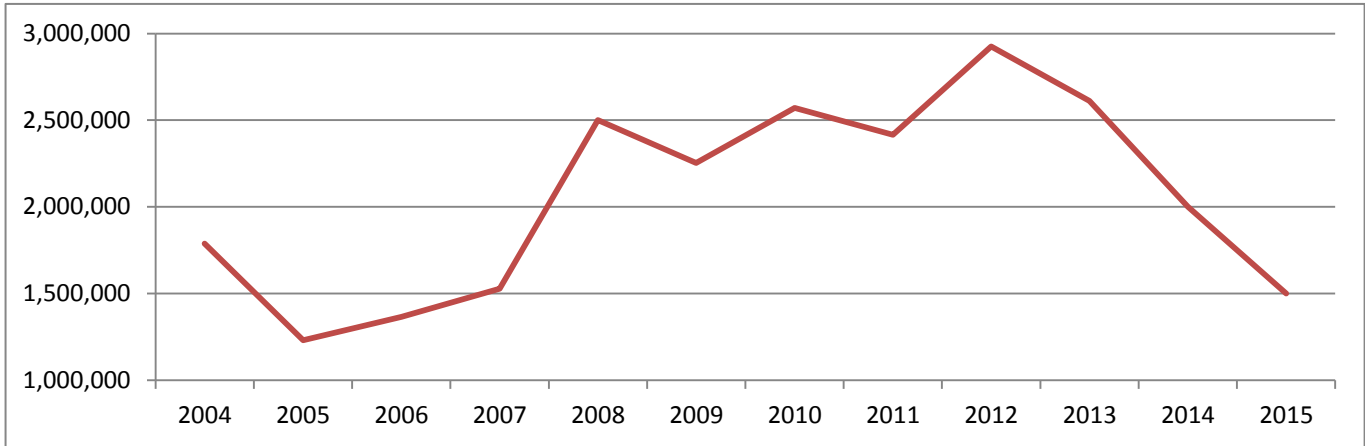
The County experienced decreased revenues from Use Taxes beginning with FY 2008 due to large refunds issued by the Kansas Department of Revenue. These refunds continued through 2010, thus reducing revenues until all refund issues were resolved. According to the Kansas Department of Revenue all major refunds impacting Use taxes have been completed. The additional inclusions to the use tax as well as the refunds have caused wide fluctuations over the last ten years and cause revenue trend lines to be skewed as represented by the graph below. FY 2015 projections reflect increases of 3.0%.

### 4. Interest on Delinquent Taxes

This revenue reflects interest and penalty payments on unpaid ad valorem or special assessment taxes which include delinquent real estate, personal property, motor vehicle and current year real estate and personal property tax payments that are paid after the due date. This revenue is recognized immediately when the property owner pays the late tax. All of the revenues from this source are credited to the General Fund.

The 2014 interest rate was 6% for delinquencies under \$10,000 and is reduced to 4% for 2015 (a 2% reduction per Senate Bill 231 passed in legislation in 2014). The interest rate is 12% for delinquent taxes over \$10,000. Collections of Interest on Delinquent Taxes for FY 2014 and FY 2015 are projected at \$2,000,000 and \$1,500,000 respectively with the assumption the Treasurer's Office has fewer outstanding delinquent taxes to collect and factoring in the 2% interest rate reduction for FY 2015. This is a decrease of \$611,385 or 23.4% below the FY 2013 Actual. This is a volatile revenue source, and fluctuates from year to year. This revenue peaked at \$2,924,948 in 2012 and the County anticipates this revenue source to continually decrease as the economy recovers and there will be less to collect in the future. The graph on the following page provides a ten-year history of Interest on Delinquent Taxes revenue.

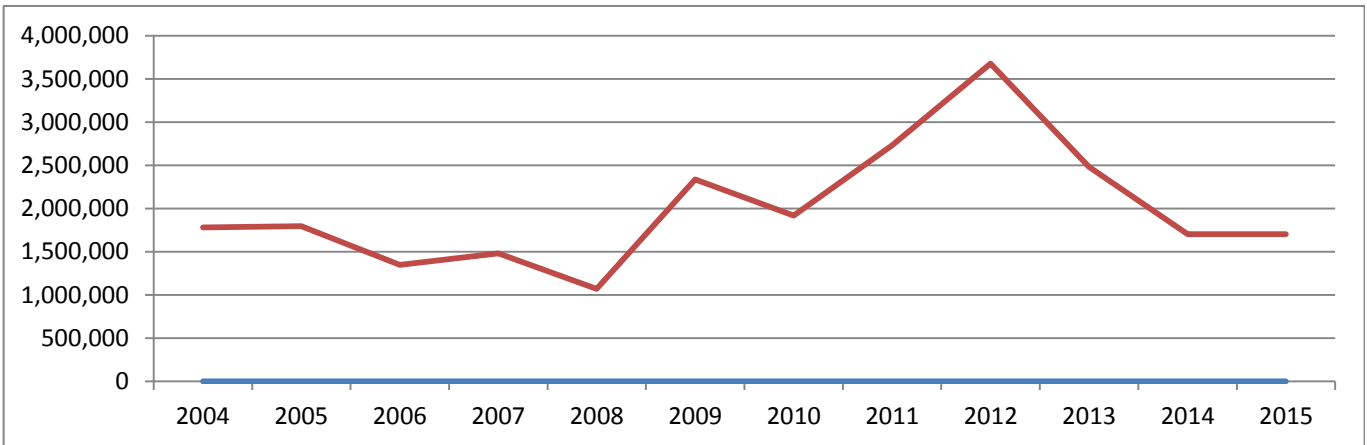
### Interest on Delinquent Taxes



### 5. Delinquent Real Property Tax

Delinquent Real Property Tax revenues are collected after the close of the current tax year, which closes on the Tuesday following the first Monday in September. Any collections of real estate taxes after this cutoff date are recorded as delinquent and distributed as such. Delinquent Real Property Tax collections are distributed once annually on January 20th. This distribution is comprised of the collections for the previous calendar year and normally occurs as part of the January 20th distribution. FY 2013 Revenue peaked at \$3,676,135 due to an increase in delinquent taxes from the slow recovery of the economic downturn. FY 2014 revenue was \$1,704,783, a 31.3% decrease compared to FY 2013 due to improving economic conditions. FY 2015 revenue is projected to remain steady at \$1,704,751.

### Delinquent Real Property Tax

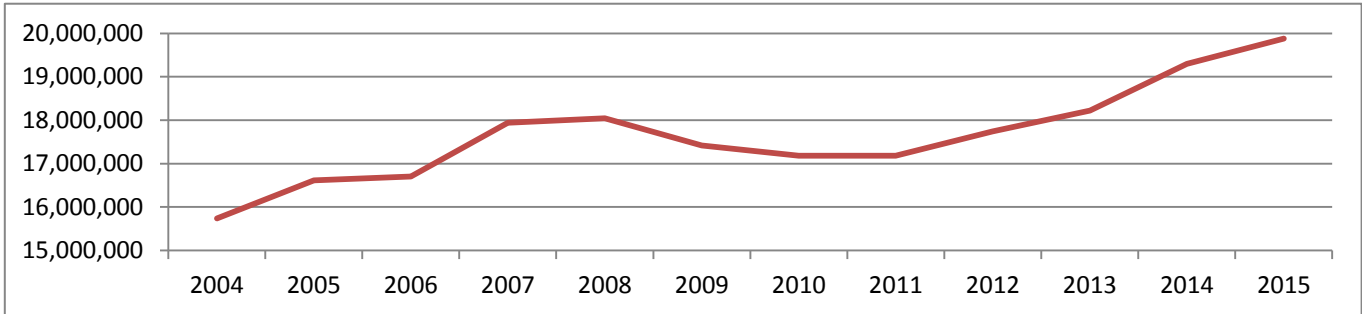


### 6. Motor Vehicle Tax

The Motor Vehicle Tax is applied to vehicles registered in Johnson County. The County Treasurer collects and distributes this tax to all taxing subdivisions according to a state-mandated formula. The chart on the following page provides a ten-year history of the motor vehicle tax.

### Motor Vehicle Tax

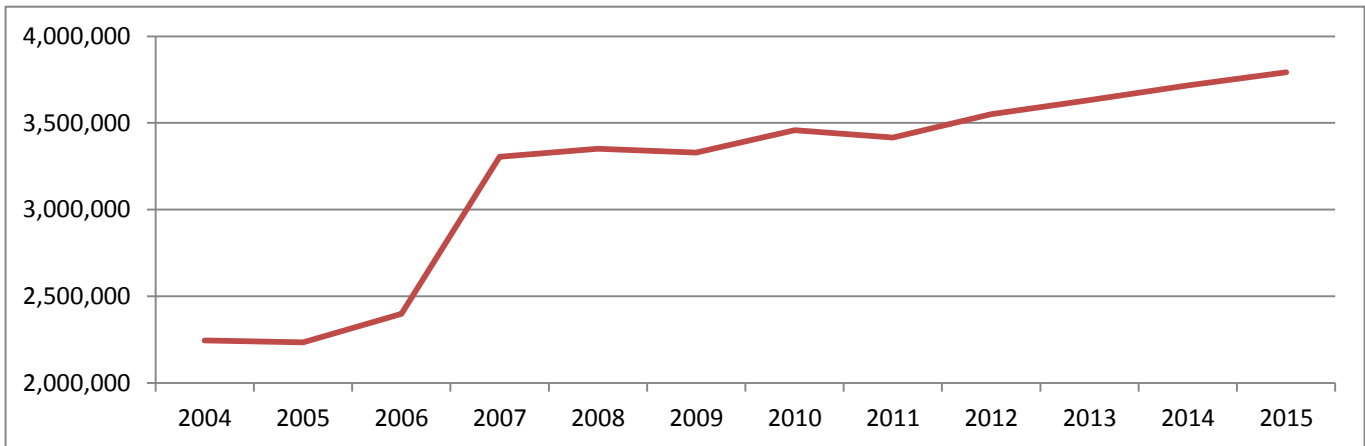
The Motor Vehicle Tax is levied upon all Vehicles registered in Johnson County and is distributed amongst the various taxing authorities including Johnson County funds, Library funds and the Parks & Recreation Funds. Motor Vehicle Tax revenue projections are \$19,297,842 for 2014 and \$19,876,775 for 2015. This is based on a 3.4% increase in the market value of Motor Vehicles in 2014 and a 2.9% increase in 2015. The assessment rate of 20% has remained constant since 2001, so increases are commensurate with market value growth.



### 7. Motor Vehicle Registration Fee

This revenue source is composed of fees for administration of the State's annual motor vehicle registration and license fees. The State's annual registration fee is applied to all motor vehicles registered in the County and is based upon classifications of motor vehicles according to weight. During the 2006 legislative session, the State increased the fee from \$3.00 to \$5.00 beginning in FY 2007 which created an increase of 37.75% for FY 2007. Motor Vehicle Registration Fees are \$3,717,409 for FY 2014 and \$3,791,757 for 2015. Projections are based on the number of vehicles registered in the County, and the required registration fee for the vehicles. The Motor Vehicle Registration Fee is credited to the General Fund.

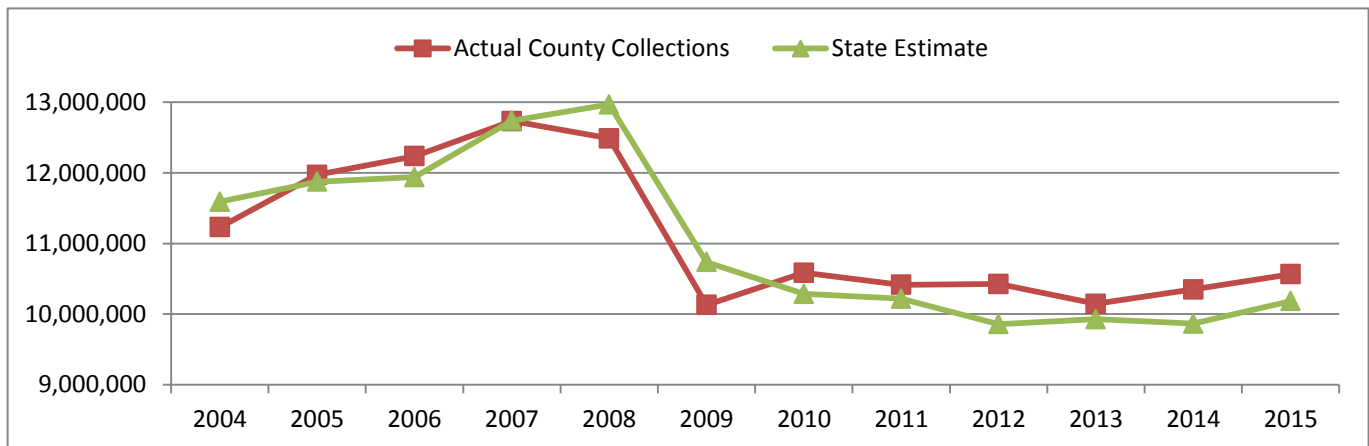
### Motor Vehicle Registration Fee



## 8. Special Highway Fund

This revenue source represents funds received from the State Gasoline Tax and other fuel taxes. 43% of the receipts are remitted to cities while the remaining 57% is distributed to counties. Johnson County dedicated a portion of its share for the County Assistance Road System (CARS) Program. Special Highway revenue projections are \$10,350,000 for 2014 and \$10,565,948 for 2015. Beginning in July of FY 2011 the state began a 5 year payback process to counties that were under-funded through erroneous calculations in the distribution method. This payback will impact Johnson County by a negative \$115,948 for each quarterly remittance through May 2016. The County compares the State estimate of the revenues to the actual County collections. A conservative estimate is then projected based on these two factors. Revenues from this source are credited to the Public Works Fund. The following chart shows the State's estimates for FY 2004 – FY 2015, and the County's actual collections for FY 2004 – FY 2013 and estimates for FY 2014 – FY 2015.

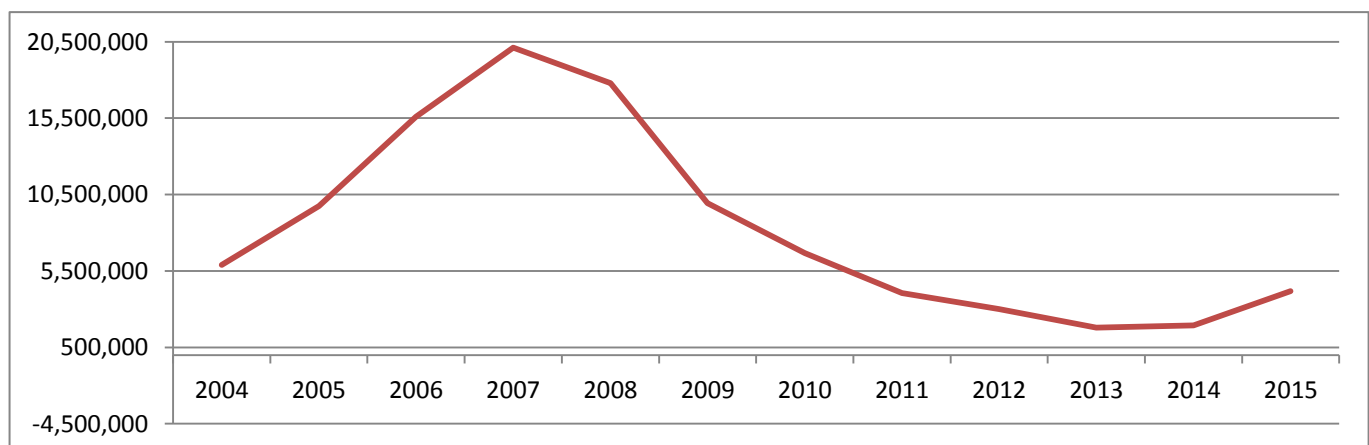
**Special Highway Fund**



## 9. Investment Interest

This revenue source reflects interest earned on public funds being held by the County Treasurer until distributed to other taxing subdivisions, as well as interest on County funds held until expended. Two factors which determine investment income are: 1) interest rates, and 2) cash balances available for investment. The average rate of return in FY 2013 was 0.47%, FY 2014 is projected to average 0.51% and the average rate of return for FY 2015 is projected to average 1.1%. The following chart provides 2004-2015 Investment Interest collections.

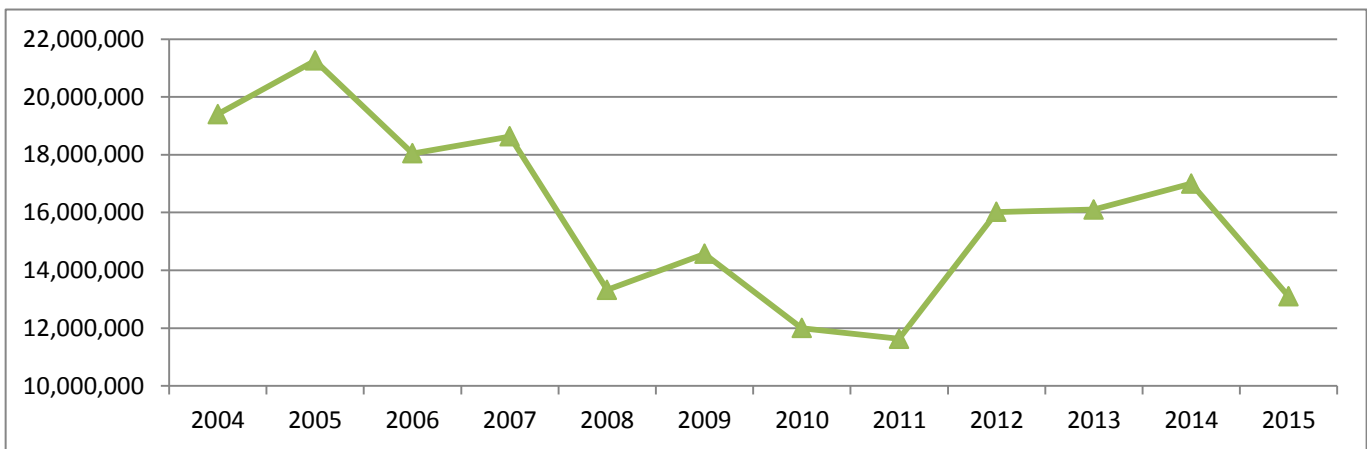
**Investment Interest**



## 10. Mortgage Registration

This revenue source represents fees collected by the Register of Deeds on recorded Johnson County mortgages. The current fee equals .26% of the full indebtedness of the mortgage with .25% distributed to the General Fund and .01% distributed to the Heritage Trust Fund. Effective 1-1-2015, the fee will be phased out over 5 years per Senate Bill 298 that was passed in legislative session in 2014. The Mortgage Registration Fee is a highly volatile revenue source as illustrated in the chart below. The major reason for these swings is mortgage refinancing activity and interest rate fluctuations. The economic recession and low interest rates generated a record amount of revenue for Mortgage Registration Fees in FY 2003. FY 2004 through FY 2007 actuals were lower due to the rising interest rates. Beginning with FY 2008 mortgage registration fees reflect the direct impact of the downturn in the housing and banking industry. Projections for a recovery begin with FY 2012 and continue through FY 2014. FY 2015 reflects year one of the 5-year phase-out of Mortgage Registration per Senate Bill 298 that was passed in legislative session in 2014.

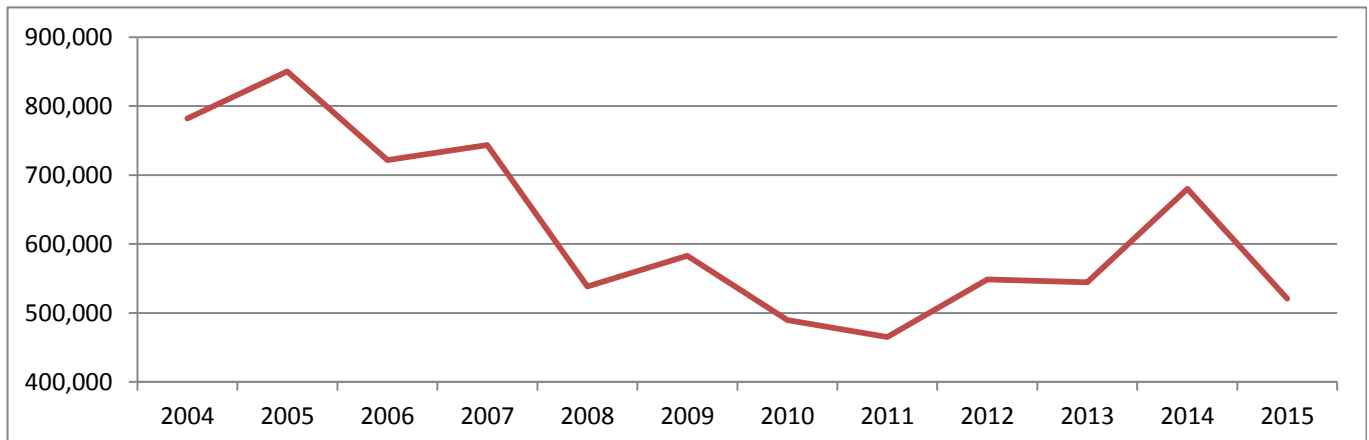
Mortgage Registration



## 11. Heritage Trust

In 1990 the Kansas Legislature increased mortgage registration fees by .01%, to .26%, of the full indebtedness of the mortgage to fund the Kansas Heritage Trust Fund. By adopting a resolution Johnson County was able to keep all revenue from that .01% in excess of \$100,000 to fund the Johnson County Heritage Trust Fund. The establishment of the Johnson County Heritage Trust Fund recognizes the importance of preserving the valuable heritage and history of Johnson County. Effective 1-1-2015, the amount distributed to the Heritage Trust Fund will be reduced from \$680,000 projected for FY 2014 to \$520,905 for FY 2015 as a result of Senate Bill 298 that was passed in legislative session in 2014.

Heritage Trust



## 12. Recording Fee

This revenue source represents fees collected for recording documents. Documents recorded pertain to land transactions, Federal and State tax liens and Uniform Commercial Code filings. Filing fees vary according to the type of documents recorded. Revenues from this source are credited to the General Fund. Effective 1-1-2015, as part of the 5-year phase-out of the Mortgage Registration Fee per Senate Bill 298 that was passed in legislative session in 2014, the recording fees are anticipated to increase annually in an attempt to recover some of the lost Mortgage Registration revenue. The FY 2014 projections reflect a 4.1% increase and FY 2015 reflects the first year of the recording fee revenue increase per Senate Bill 298.

Recording Fee



## 13. Prisoner Boarding Charge and Police Protection Charge

**Prisoner Boarding Charge** - Prisoner Boarding revenue comes from both inmates in the County Detention Center as well as offenders within Corrections. The Sheriff's Office receives revenues from holding municipal prisoners and State parole violators. The charge is \$35 per day for the municipal prisoners, which amounts to approximately 30% to 90% of the cost, depending on the classification of the inmate in custody. The State legislature has reduced the reimbursement to the County over the last few years for the State parole violators. The County's Corrections department receives \$120.00 per day for youth housed in the Juvenile Detention Center that are in the actual custody of the Kansas Juvenile Justice Authority (JJA). This amount represents about 25% of actual cost for detention. The amount daily rate is set by the JJA. The total revenue fluctuates because of the volatility of the number of local prisoners being held and the mix of municipal violations and district violations they are charged with each year. Beginning in 2013, Prisoner Boarding associated with Corrections was included, which accounts for the \$284,553 or 32.7% increase from \$869,369 in FY 2011 to \$1,153,922 in FY 2013. FY 2014 and FY 2015 are estimated at \$1,120,000 and \$1,175,000 respectively.

**Police Protection Charge** - The Police Protection Charges revenue comes from contracted police services with the cities of Edgerton and De Soto. These contracts are over 80% of the Police Protection Charges revenue. FY 2010 shows a 50% increase which was the result of a late 2009 payment. FY 2014 and 2015 revenue is estimated at \$800,000, reflecting the expected number of offense reports and calls for service within these cities.

#### **14. SB 50 911 Fund**

Effective January 1, 2012, Senate Bill 50 established a new uniform fee of \$.53 per month. Senate Bill 50 replaced existing 911 statutes with a new 911 fee structure. On January 1, 2013, the existing authority for assessing wireline 911 taxes as well as wireless and VoIP 911 fees expired and the new uniform fee of \$.53 per month became effective for any device that can access 911. The new 911 fund, established through passage of Senate Bill 50, is estimated to be \$3,750,000 for FY 2014 and \$4,000,000 for FY 2015.

#### **15. Contractor Licensing Fee**

The Board of County Commissioners adopted a resolution creating the Contractor Licensing Program beginning in January 2002. A License Review Board was created, and rules and regulations were adopted for the program. Contractor licensing fees are collected from contractors obtaining their licenses in Johnson County. The registration fee for the first year is \$100, and the annual fee is \$225. This totals a startup fee of \$325 per contractor, with an on-going fee of \$225 per year.

FY 2013 actuals decreased 3.6% to \$900,864. FY 2014 is projected to increase 18.2% to \$1,064,823 due an annual fee renewal increase from \$200 to \$225. FY 2015-2018 revenues are projected to grow 1.9% annually. The number of Contractor License renewals estimated for 2015-2019 is 3,000 per year.

#### **16. Med-Act User Fee**

MED-ACT user fees are collected when MED-ACT transports a patient to the hospital. The rates are established after an analysis of the Medicare approved rates, the rates charged by other ambulance providers, the expected insurance payments, and the taxes needed. Rates increased in the summer of 2011 by 18%. For 2013 the average charge was \$515 per trip. In 2013, 19,063 patients were transported to the hospital by MED-ACT, which does not include transports made by the Med-Act/Overland Park Fire Dept (OPFD) partnership ambulances where Overland Park charges for the service. OPFD pays MED-ACT a contractual agreed flat rate of \$55.60 for every patient transport where OPFD charges. This is the Med-Act share from the partnership arrangement.

In FY 2013, collections totaled \$6,954,950 with a 66.6% collection rate after 12 months for the first 4 months of 2013. The collection rate for the FY 2014 revenue is projected at 66%. A medical billing service collects the revenue and gets a 5.7% collection commission. MED-ACT will write off 34% as non-collectible. FY 2015 collections are estimated at \$7,190,466 with a 6% increase in rates. Transports are projected with no increase in 2015.

#### **17. Section 8 Rental Assistance**

The Section 8 Housing Choice Voucher (HCV) Program is a federally funded program designed to provide subsidies to very low and extremely low-income families, allowing them to locate decent, safe housing while maintaining their rental payments at an affordable level. The program also offers an incentive to private property owners to rent to low-income families by offering timely, consistent subsidy payments. The Housing Authority administers Section 8 (HCV) for the cities of De Soto, Edgerton, Gardner, Lenexa, Merriam, Mission, Overland Park, Prairie Village, Roeland Park, Shawnee, Springhill and Westwood areas. FY 2014 and FY 2015 are estimated at \$12,405,000 and \$11,353,000 respectively.

#### **18. Community Development Block Grant**

The Community Development Block Grant funds community development activities for low to moderate-income residents throughout Johnson County. FY 2013 actual revenue was \$864,347. FY 2014 and FY 2015 are estimated at \$1,478,948 and \$1,483,363 respectively.

### **19. Parks Enterprise Charge**

The Park & Recreation Enterprise Fund includes all functions and activities of the District pertaining to recreational activities and facilities which are supported by revenues other than tax dollars, with the exception of employee fringe benefits. Projections are provided by the Park & Recreation Department. FY 2014 and FY 2015 revenues

### **20. Wastewater Capital Finance Charge**

The Capital Finance Charge funds sanitary sewer capital improvements in Johnson County Wastewater. This charge is combined with the Wastewater User Charge and is billed and collected in the same manner as the Wastewater User Charge. The charge may be apportioned among classes of users or graduated as to individual users based upon the present or future use required of the sewerage system and shall include consideration of, but not be limited to, the quantity, quality and rate of wastewater discharged or dischargeable to the sewerage system and may include a customer service charge component. FY 2015 revenues are estimated to be \$35,051,700.

### **21. Wastewater Connection Fee**

The Wastewater Connection Fee (a capital charge) is a one-time hookup fee to fund new sewer construction throughout the district. The fee was implemented in 1992 at \$1,500. It was \$3,258 from FY 2010 to FY 2013, and \$3,800 for FY 2014 for a 5/8" meter. For FY 2015, the connection fee is proposed to be set at \$4,400. Beginning in 2014, connection fees are collected based on meter size. Each year, the connection fee rate is established and adopted in the annual budget resolution. FY 2015 revenues are estimated to be \$5,800,000.

### **22. Wastewater System Availability Charge**

The System Availability Charge recovers capital costs associated with sewer availability for those not yet connected to the system. In 2014, this per acre charge replaced the Vacant Land Equivalent Dwelling Unit methodology. This charge is \$323 per acre. FY 2015 revenues are projected to be \$4,124,200.

### **23. Wastewater System Development Charge**

The System Development Charge (an EDU-based charge) is a one-time hookup fee to help fund new sewer construction throughout the district. The charge is 50% of the connection fee and applies to hookups in districts created since the new finance plan was approved in 1992. Implemented in 1992, the fee was \$750. The fee was \$1,629 in FY 2010 and has remained flat through FY 2013. The System Development Charge was set to \$0 in FY 2014.

### **24. Wastewater User Charge**

The Wastewater User Charge System was established in FY 2003 to increase reliance on user fees and decrease reliance on the mill levy. The user charge system was implemented for Johnson County Wastewater to collect charges from all users of the sewer districts based upon the proportional use of the wastewater treatment facilities by the user's class. The user charge system was established for the purpose of payment for the costs of operation and maintenance of the wastewater collection and treatment facilities of Johnson County Wastewater. FY 2013 actual revenue was \$37,881,264. FY 2014 and FY 2015 revenues, net of uncollectible receivables, are estimated at \$46,699,786 and \$49,801,872 respectively.